



Bipartisan Policy Center

# **Housing Policy Reforms: Supply Interventions and Evidence from Comparable Jurisdictions**

Testimony before the Vermont House Committee  
on General and Housing

Francis Torres | Director, Housing & Infrastructure | Bipartisan Policy Center

May 2026

# About BPC & The Terwilliger Center

- **BPC** is a Washington, DC-based think tank that works across party lines to forge durable, effective solutions to our nation's major problems
- Focus policy areas include: Economics, Energy & Infrastructure, Human Capital, Housing, Health, and Governance
- **The Terwilliger Center for Housing Policy** was established in 2021 to advance bipartisan solutions to America's housing affordability crisis





# **Vermont's Housing Challenge**

# Vermont's Housing Market: Key Indicators

---

**2.4%**

**Rental Vacancy Rate**  
Chittenden County  
2024

**25%**

**VT Renters Severely  
Cost-burdened**  
(>50% income)  
2024

**28k-41k**

**New Homes Needed**  
Statewide by 2030

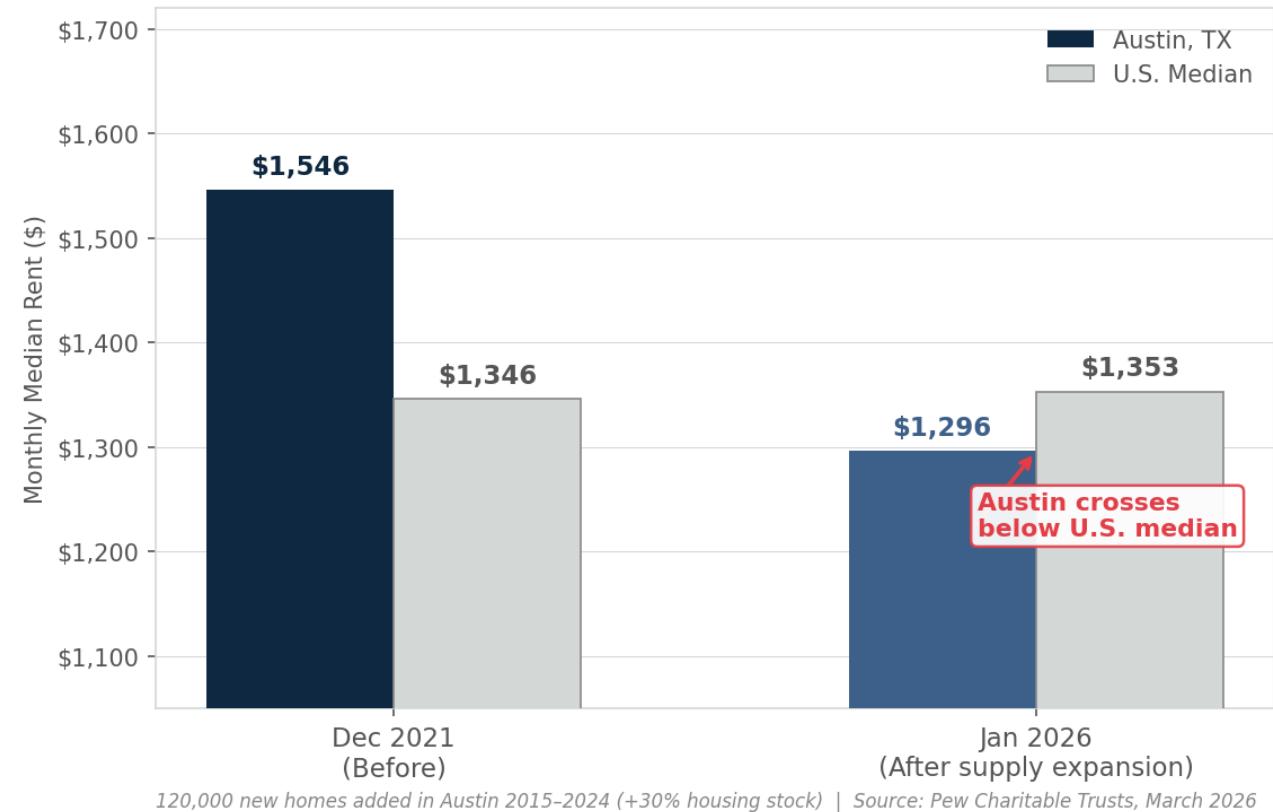


# **Case Studies in Housing Supply Reform**

# Austin, Texas: A Test of the Supply Argument

## Key Reforms (2015–2024)

- Rezoned to allow large apartment buildings by-right near jobs and transit
- Eliminated parking minimums citywide
- Streamlined ADU construction citywide
- \$600M in voter-approved housing bonds (2018 + 2022)
- **Added 120,000 new homes — a 30% increase in housing stock vs. 9% nationally**

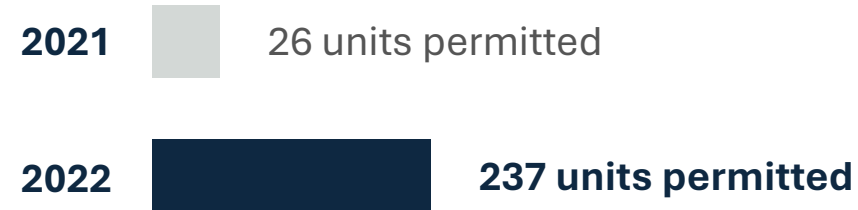


# Auburn, Maine: A Small New England City Clears Its Backlog

## Key Reforms (starting 2017)

- Eliminated single-family exclusionary zones
- ADUs allowed citywide
- Density raised to 16 units/acre (up from 4)
- Residential zones reduced: 32 → 8
- Sold public land; reduced permitting fees

## Housing Pipeline Response



**9× increase in one year after reform**

**400+ units in active development by Oct 2022**

Auburn's reforms were adopted into Maine statewide legislation in 2022, including by-right 4-unit construction on any residential lot.

# Montana: A Model for Bipartisan Rural-State Reform

---

**“Any way you slice it, whether you’re approaching it from a left or right perspective, you arrive at the same conclusion that we need to build more homes.”**

- **Kendall Cotton**, Frontier Institute, member of Montana’s housing reform coalition

## 2023 Reform Package

- ADUs and duplexes legalized in cities statewide
- Multifamily housing by-right in commercial zones
- Streamlined permitting statewide
- **Backed by bipartisan coalition**

## 2025 Follow-On Legislation

- Eliminated parking requirements for most new multifamily construction
- Taller buildings allowed in commercial zones
- Extended ADU rights to unincorporated areas
- **Reform treated as ongoing**

# Minneapolis, Minnesota: Lessons from Complex Outcomes

---

## The 2040 Plan (2018)

- First major U.S. city to eliminate single-family zoning citywide.
- A legal challenge paused implementation for approximately 8 months in 2023–2024, adding uncertainty.
- Multiple studies reach different conclusions — from modest price increases to modest affordability improvements.
- Federal Reserve Bank of Minneapolis found no significant change in costs.

## Key Takeaways

Zoning liberalization creates legal capacity. It does not, by itself, create developer pipelines or the financing structures to act on that capacity.

Missing-middle housing requires a developer ecosystem. Ask: who is positioned to build in Vermont, and what barriers do they face?

Minneapolis shows the tool can be right while the conditions needed to use it are still being built.



## **Lessons Across the Case Studies**

# Four Lessons from the Case Studies

---

**Zoning/Land Use Reforms  
Are Often Necessary but  
Not Sufficient**

**Progress Requires Scale  
and Iteration**

**The Development Pipeline  
Matters to Realize the  
Promise of Reform**

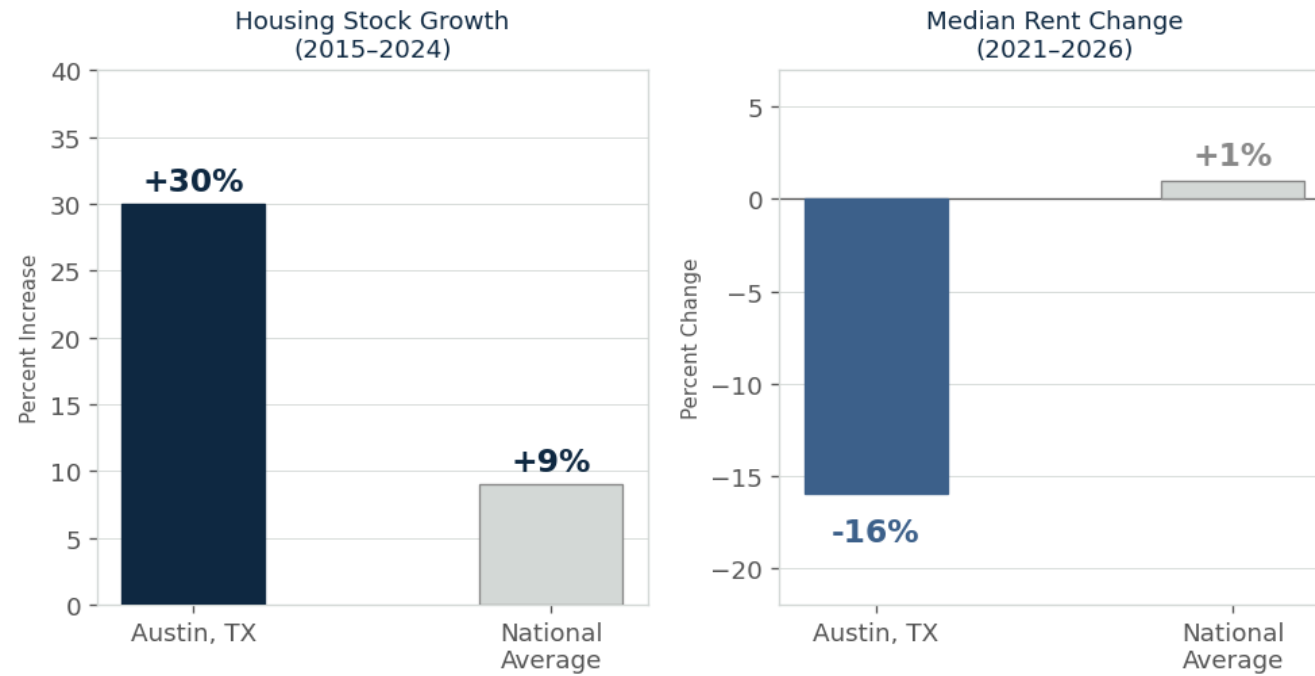
**Supply and Demand-side  
Reforms are Complements,  
Not Competitors**



**Does Supply Expansion  
Lower Costs?**

# Austin's Supply-Housing Cost Relationship Takeaway

## More Supply → Lower Rents



Source: Pew Charitable Trusts, March 2026. National rent: 1,346(Dec2021)→1,353 (Jan 2026).

# Notes on the Burlington Research

---

## Takeaways

Investor activity and large down payments *can be* drivers of price pressure.

The authors themselves conclude that policy must address these “in addition to supply increases.”

## Limitations

- 1 Burlington has not built at meaningful scale**

The study's own data show the city added roughly 0–15 units per year throughout the study period. It measures marginal changes in a constrained market, not the effect of genuine supply expansion at scale.
- 2 It examines the for-sale market only**

Vermont's crisis is most acute in rentals, but the study does not address the rental sector.
- 3 The authors do not argue against building**

They write that policy must address demand dynamics “in addition to supply increases,” not instead of them.



Bipartisan Policy Center

## Key Takeaways

- Austin built at scale and rents fell 16%, most sharply for lower-income renters
- Auburn and Montana show reform works in small and rural contexts with bipartisan support
- Supply reform and demand-side tools are complements, not competitors
- Vermont's housing reform is on the right path — the question is pace and scale



Bipartisan Policy Center

**Thank You**

Francis Torres | Director, Housing & Infrastructure | Bipartisan Policy Center  
ftorres@bipartisanpolicy.org